

Is it **Fact or** **Fiction**



Navigate Through the Myths and Realities of Trust Administration

There are some things in life you know you can't get by without, but that doesn't make you an expert on it. Taxes. Retirement planning. Insurance. For anyone who doesn't work in these specialized industries, sometimes ignorance feels like bliss.

We get it. At Funeral Services Inc., we handle a service called trust administration every day, and we know it can be a complicated subject for many business owners in the death-care profession. You may understand it to a certain degree and know it is an important service, but with all of your other responsibilities that you must address every day, you're too busy to investigate it further.

You might think you can go without it. But the truth is, trust administration is a critical need for all funeral homes and cemeteries, and that means it's imperative you understand the common myths and realities behind it. That way, when you hire a trust administrator to perform this service for you, you have appropriate expectations.

Find out if some of these often-used statements are fact or fiction in the world of death-care trust administration.

Fact or Fiction?

Trust administrators offer solutions for both preneed and perpetual care trusts.

Fact! This should be expected when identifying a trust administration firm for your business. Whether you're selling preneed or at-need products or maintaining the long-term future of your cemetery grounds, a good trust administrator should be proficient in all realms of death care for funeral homes, cemeteries, associations and financial institutions.

Trust administrators manage the overall operation of a trust, including its investment strategy.

Fiction! While it's critical to know all of the benefits a trust administrator offers, it's also important to understand what a trust administrator does not do.

In short, they are not a trustee or investment management firm. Instead, most trust administrators are focused solely on offering "back office solutions" such as record keeping, tax reporting and in-depth knowledge of ever-changing federal and state regulations. In this role, trust administrators work with many trustees and investment managers to

gather data and fulfill these trust administration responsibilities.

You should identify a trust administrator who is well versed in technology.

Fact! Today's technology is becoming more and more important if you wish to survive and thrive in the business world. Despite typical stereotypes, that statement is now truer than ever in the death-care profession. For a company whose primary job is to monitor and track your financial data, shouldn't a trust administrator be able to offer only the best and most efficient software to the death-care profession?

When identifying a trust administration firm, ask yourself: 1) What kind of software programs do they use that could benefit my business? 2) Are they tech-savvy themselves, or do they have a dedicated IT staff? 3) How have they helped their clients grow by using technology? Do they have any case studies demonstrating that success?

In today's environment, you cannot grow without utilizing technology and therefore providing access and convenience to your clients. And if you're not growing, you're dying!



Add
power
to your preneed and perpetual care trusts.

FREE Webinar

The Importance of Building a Strong Trust Team

To protect death care professionals from improper management of preneed and perpetual care funds, the duties of creating and operating a trust should always have an integrated approach – collaboration among several independent parties, each with a separate role and distinct set of responsibilities.

Join us for a free webinar that will help you:

- Distinguish between the duties of all parties of a preneed or perpetual care trust, which include the funeral home or cemetery, trustee, investment manager, trust administrator and attorney.
- Understand the importance of building a full trust team and identifying parties that work well together.
- Learn about a unique, turnkey solution available that streamlines the process of compiling a team of trust professionals.

Date: Tuesday, November 14, 2017

Time: 2:00 to 3:00 p.m. Eastern time

Hosts: Bill Williams, CEO and President of Funeral Services, Inc.

Paul White, Vice President of Client Development and Marketing
of Funeral Services, Inc.

Jim Breaux, Senior Vice President and National Sales Director of Live Oak Bank

Corie Gabriel, Private Client Group Director of Roosevelt Investments

Wendy Wiener, Esq., Partner at Broad & Cassel, LLP

To Join: Visit FSITrustWebinar.com

fsitrust.com



TRUST SOLUTIONS

Anyone can keep good records of their business transactions if they stay organized, no matter how busy things get.

Fiction! Though we trust that most of you are organized people, the simple fact is that a lot goes into keeping your constantly moving finances in check. To ensure something doesn't slip through the cracks, you should hire a professional to diligently monitor your records on a regular basis.

This dedicated record keeping will enable your focus to remain on what matters most: your business' and clients' success. It could also keep you from incidentally violating a law or regulation – there are hundreds out there – that could put you at serious legal and financial risk.

All of these factors should make it clear that it is in your best interest to let a trust administrator monitor your finances because, well, you are the one who will take the fall – which can be steep – if you make a mistake.

A trust administrator can assist you in case of a regulatory audit.

Fact! For many licensees, a notice from the state that a regulatory audit is coming up will bring fear, stress and worry. It doesn't have to be that way. A good trust administrator will assist you if you're facing a regulatory audit – including advising on how to ensure you're fully prepared, as well as how to respond if compromising

information is found by the state. In reality, it shouldn't be much of a sweat since the trust administration company will constantly keep your finances in line.

You only need to check the status of your trust accounts a few times a year.

Fiction! Just like any other bank account you have, you should check the status of your trust as often as possible. While a good trust administrator will have your trust's finances under control – extra points if they send you a monthly report – it is still your money, and I would always recommend you keep it top of mind as well. At the very least, review that monthly report of your accounts that your trust administrator provides. In this report, you should expect to see a recent record of all income, expenses and your trusts' current market value.

A trust administration firm is all I need for my pre-need or perpetual accounts to be successful.

Fiction! This is probably tough to believe coming from a trust administrator. While the duties of a trust administrator are critical for your business, there's much more to ensuring the success of your trusts than just a trust administration and record keeping company. You need a full trust team, made up of several independent parties, to maximize your pre-need or perpetual care fund's performance and potential. •

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*So, who are the players
on that trust team?*

Find out during Kates-Boylston
Publications' upcoming webinar
*"The Importance of Building a
Strong Trust Team"*

Nov. 14 at 2 p.m.

Register today by visiting
FSITrustWebinar.com.